

Department of Financial Institutions

Strategic Plan

2013-2015



(updated August 2013)

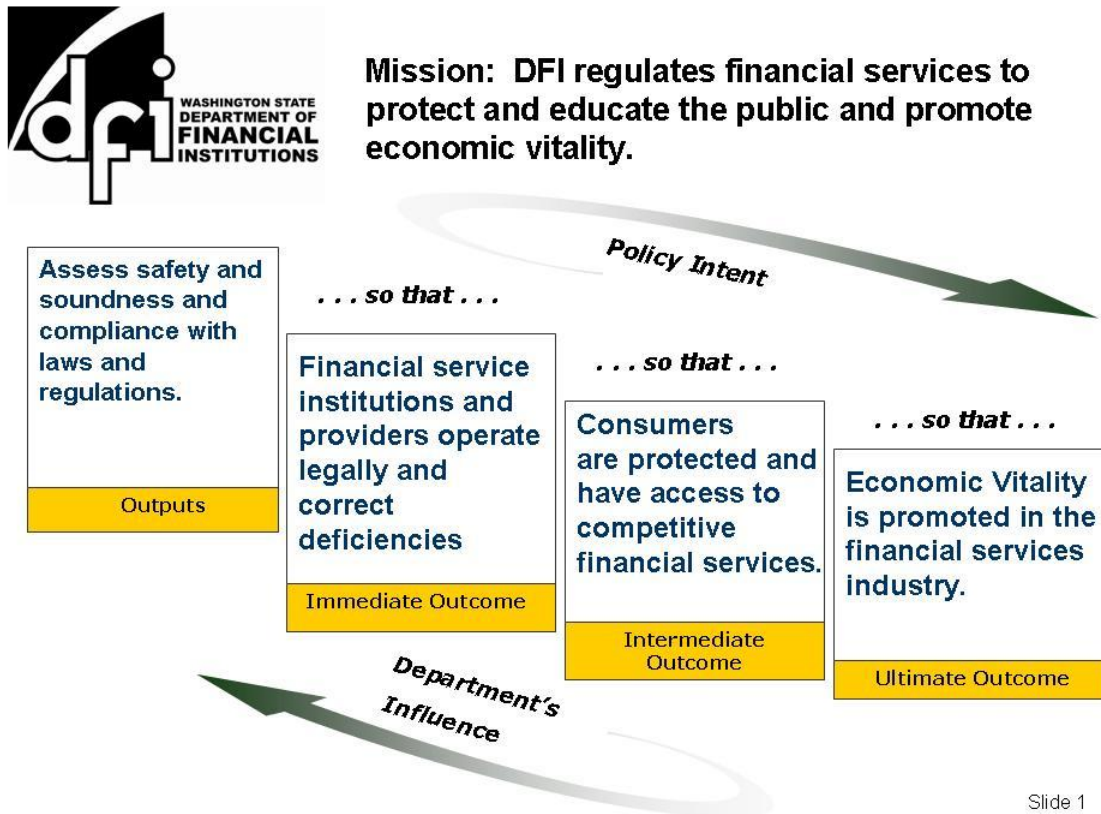
DFI VISION

Safe, honest and reliable financial services.

DFI MISSION STATEMENT

DFI regulates financial services to protect and educate the public and promote economic vitality.

DFI LOGIC MODEL



DFI VALUES

- Employees – our most important resource
- Empowerment with accountability
- Diversity
- Fairness and respect for individuals and institutions
- Sharing information and knowledge
- Professionalism and integrity
- Providing quality services

GOALS, OBJECTIVES AND STRATEGIES

GOAL 1: Promote a stable and competitive state financial services industry that enhances economic vitality.

Objective 1-1: Conduct an efficient and effective examination program for DFI regulated entities.

- Strategy 1-1-1: Examine regulated entities as required by statute or as determined by risk-based analysis.
- Strategy 1-1-2: Coordinate with other regulators and participate in joint or multistate examinations to reduce regulatory costs.
- Strategy 1-1-3: Take action when regulated entities reach a weakened financial condition, are engaged in unsafe or unsound practices, or violate laws.
- Strategy 1-1-4: Maximize efficiencies and minimize the onsite impact to regulated entities.
- Strategy 1-1-5: Train staff on exam techniques legal issues, and emerging industry technologies
(added-June 2013 update)

Objective 1-2: Identify and respond to emerging trends in financial products and services.

- Strategy 1-2-1: Actively participate in national and other regulatory groups (such as AARMR, CSBS, MTRA, NACCA, NASAA, and NASCUS) by holding leadership positions and contributing to Committees and Task Forces. (July 2013 update)
- Strategy 1-2-2: Design exam modules to address emerging risks and issues. (July 2013 update)
- Strategy 1-2-3: Modernize and update statutes, rules and processes to anticipate and respond to changing financial services and regulatory needs, including changes necessitated by Dodd-Frank (revisit next update)
- Strategy 1-2-4: Pursue regulation of financial services that reduces risks or increases benefits to Washington consumers.

Objective 1-3: Promote the state chartering, licensing, and regulation of financial services providers.

- Strategy 1-3-1: Work with stakeholders to maintain the viability and relevance of state regulation of financial institutions.
- Strategy 1-3-2: Work with other state regulators and organizations to understand changes brought about by the Dodd-Frank Act on federal pre-emption in order to extend the protections granted by State law to Washington consumers and ensure a level playing field for Washington financial institutions. (revisit next update)
- Strategy 1-3-3: Work with institutions interested in converting to a state-chartered financial institution, particularly in light of the charter changes that may result from the Dodd-Frank Act.

GOAL 2: Protect citizens' financial interests.

Objective 2-1: Conduct an effective and efficient enforcement program.

- Strategy 2-1-1: Target enforcement resources to actions with the highest impact or risk.
- Strategy 2-1-2: Train staff on investigative techniques legal issues, and emerging industry technologies.
- Strategy 2-1-3: Coordinate enforcement efforts with regulatory partners including new partners established by the Dodd Frank Act.

GOAL 3: Provide information and education about financial services.

Objective 3-1: Enhance education and outreach to consumers, licensees and regulated entities.

- Strategy 3-1-1: Focus consumer initiatives to support diverse, underserved, or vulnerable citizens and communities.
- Strategy 3-1-2: Actively form new partnerships and nourish existing partnerships to continue generating resources and support for financial education.
- Strategy 3-1-3: Assist and educate licensees and businesses.

GOAL 4: Manage resources and leverage technology to ensure effective and efficient regulation.

Objective 4-1: Implement efficient and cost effective agency financial systems and business processes.

- Strategy 4-1-1: Reduce examination related travel by facilitating offsite work, developing targeted examinations, and improving or streamlining examination preparation.
- Strategy 4-1-2: Reduce the amount of paper collected by the agency by collecting data electronically and storing directly into the agency's databases.
- Strategy 4-1-3: Increase receipt of funds through electronic means.
- Strategy 4-1-4: Explore secure solutions to streamline DFI processes for collecting, sharing, and using data from our regulated entities that contain personally identifiable information (PII).
- Strategy 4-1-5: Improve remote access to the DFI network.
- Strategy 4-1-6: Continue to implement national licensing for non-depository institutions.
- Strategy 4-1-7: Manage public records in an effective, efficient, and compliant manner.
- Strategy 4-1-8: Reduce records proliferation and enhance security by implementing collaborative software solutions to permit secure sharing

and editing of documents between DFI staff and our regulated entities and others.

Objective 4-2: Develop a Lean culture of continuous improvement.

- Strategy 4-2-1: Educate staff on Lean philosophy as a common approach to continuously improve our systems and processes for our customers.
- Strategy 4-2-2: Apply Lean tools and techniques to identify and eliminate waste.

Objective 4-3: Provide all customers (DFI staff, consumers, and regulated entities) with easy but appropriate access to the information they need.

- Strategy 4-3-1: Continue to explore, develop and implement tools that reduce time and effort and risk associated with discovery and public records requests.
- Strategy 4-3-2: Expand the online license information system to increase access to images of DFI public records, including enforcement actions.
- Strategy 4-3-3: Enhance online services for customers including: electronic filings, license renewal, automated reporting and assessments for Consumer Services and Division of Banks, complaint filing, and electronic notification of renewals.
- Strategy 4-3-4: Continuously apply appropriate security practices to protect against and prevent the inappropriate release of personally identifiable information.

Objective 4-4: Maintain adequate funding sources.

- Strategy 4-4-1: Review adequacy, fairness, and appropriateness of fee structures.

Objective 4-5: Be Good Stewards of the Environment in carrying out DFI's mission. (added August 2013 update)

Strategy 4-5-1: Implement improvements to further reduce DFI's greenhouse gas emissions from building, fleet, employee business travel and commuting.
(added August 2013 update)

GOAL 5: Recruit, support and retain a high performing diverse workforce.

Objective 5-1: Recruit a high performing diverse workforce.

- Strategy 5-1-1: Continue utilizing resources to recruit additional workforce through low and no-cost options such as:
- Work-Study Program
 - College Externship Program
 - Cooperative Work Experience Program
- Strategy 5-1-2: Educate and engage hiring managers to enhance and streamline the recruitment process.
- Strategy 5-1-3: Explore ways to offer competitive salaries and benefits to recruit highly qualified and experienced personnel.

Objective 5-2: Support and retain a high performing diverse workforce.

- Strategy 5-2-1: Explore best practices for succession planning, ensure adequate training is in place, and develop methods for knowledge transfer.
- Strategy 5-2-2: Explore additional training opportunities for staff utilizing existing resources:
- E-Learning
 - In-house training utilizing DFI staff/subject matter experts as trainers
 - Low or no cost training opportunities.
 - Publicize training opportunities across divisions (where applicable).
 - Partner with federal & state agencies and other sources, including industry where appropriate.
- Strategy 5-2-3: Explore ways to reduce job stress and retain staff, including but not limited to: re-balancing

workloads, pooling and sharing human resources across divisions, identifying and eliminating non-critical work, and using other stress reducing methods to support retention and the health and wellness of our employees.

- Strategy 5-2-4: Explore ways to offer more competitive salaries and benefits to retain highly qualified and experienced personnel.
- Strategy 5-2-5: Find or explore innovative non-monetary awards for high performance (e.g. time, professional development opportunities, cross-training, training).
- Strategy 5-2-6: Continue to monitor compression, equity and alignment issues.